

KEEGAN, WERLIN & PABIAN, LLP

ATTORNEYS AT LAW
21 CUSTOM HOUSE STREET
BOSTON, MASSACHUSETTS 02110-3525

(617) 951-1400

TELECOPIERS:
(617) 951-1354
(617) 951-0586

September 11, 2002

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station
Boston, Massachusetts 02210

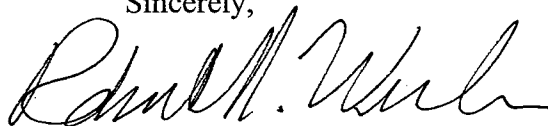
Re: Boston Edison Company, D.T.E. 01-78 (Phase II)

Dear Secretary Cottrell:

Boston Edison Company d/b/a NSTAR Electric ("NSTAR Electric" or the "Company"), with the assent of the Attorney General of the Commonwealth (the "Attorney General") (together, the "Parties"), hereby updates the Department of Telecommunications and Energy (the "Department") on the status of the above-referenced matter. The Parties have reached a settlement in the above-referenced proceeding, thereby eliminating the need for evidentiary hearing to proceed on September 11, 2002, as scheduled. The Settlement Agreement is being reviewed by senior staff at the Attorney General's office, and will be submitted to the Department no later than September 20, 2002.

Should you have any questions, please do not hesitate to contact me or Judy Laster at the Attorney General's office at 617-727-2200.

Sincerely,



Robert N. Werlin

cc: William H. Stevens, Hearing Officer
Service List